1	2	3	4	5
17.	Union Bank of India	160	101	155
18.	United Bank of India	15	31	19
19.	Vijaya Bank	30	61	71
20.	State Bank of India	1028	2052	1604
21.	State Bank of Bikaner & Jaipur	92	120	105
22.	State Bank of Hyderabad	112	128	150
23.	State Bank of Indore	31	45	64
24.	State Bank of Mysore	34	48	26
25.	State Bank of Patiala	101	131	161
26.	State Bank of Saurashtra	25	86	16
27.	State Bank of Travancore	43	66	97

Review of the shifting of Foreign Exchange Division of SBI to Mumbai

1015. SHRI NILOTPAL BASU: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that foreign exchange division of SBI located in Kolkata was subsequently shifted to Mumbai;

(b) if so, the details thereof and the reasons therefor;

(c) the year-wise turnover and profit of the division for the last three years in Kolkata and during the subsequent period after the division shifted to Mumbai;

(d) whether these data vindicate the decision for the shifting;

(e) if not, whether the decision for shifting will be reserved; and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) and (b) State Bank of India (SBI) has reported that while its Foriegn Department continues to function at Kolkata, its inter-bank foriegn exchange dealing and cover operation functions were shifted to Mumbai with effect from 12th October, 1998 as part of the Bank's integration of its

treasury operations. This has enhanced the efficiency and effectiveness of the Bank's treasury operations, substantially improved the yield on deployment of Bank's surplus Rupee resources and resulted in substantial interest income over and above the foreign exchange income of the Bank. The bank has further reported that its forex turnover has gone up substantially since the re-organisation of its treasury operations.

(c) The year-wise turnover and profit of the Foreign Exchange Division of State Bank of India from 1995-96 to 2000-2001 is given below:—

Year	Forcx Turnover (Rs. in crores)	Profit (Rs. in crores)
1995-%	111,615	893.30
1996-97	121,043	718.66
1997-98	128,358	463.27
1998-99	144,127	363.26
1999-2000	153,020	300.64
2000-01	175,165	278.35

(d) SBI has reported that the decline in the profit has been mainly due to severe pressure on the margins on account of increased competition in the market and the Shrinkage of interbank spreads, and has nothing to do with the shifting of interbank dealing and cover operation to Mumbai. The SBI has further stated that it has been able to increase its foreign exchange turnover despite stiff competition, due to its presence in the Mumbai market. SBI has also reported that due to the integration of the treasury operations, it has been successful in enhancing substantially its yield on deployment of Rupee resources.

(e) and (f) SBI has reported that it does not propose to shift its inter-bank foreign dealing and cover operation functions from Mumbai to Kolkata, as it will be detrimental to the commercial interests of the Bank.